

Message Text

LIMITED OFFICIAL USE

PAGE 01 SANTIA 05413 052105Z

64

ACTION EB-11

INFO OCT-01 ARA-16 ISO-00 SPC-03 AID-20 NSC-10 RSC-01

CIEP-02 TRSE-00 SS-20 STR-08 OMB-01 CEA-02 CIAE-00

COME-00 FRB-02 INR-10 NSAE-00 XMB-07 OPIC-12 LAB-06

SIL-01 L-03 H-03 PA-04 PRS-01 USIA-15 ABF-01 PER-05

DRC-01 /166 W

----- 037951

P R 052042Z NOV 73

FM AMEMBASSY SANTIAGO

TO SECSTATE WASHDC PRIORITY 6446

INFO AMEMBASSY BUENOS AIRES

AMEMBASSY LA PAZ

AMEMBASSY LIMA

LIMITED OFFICIAL USE SANTIAGO 5413

E.O. 11652: NA

TAGS: EFIN, CI

SUBJECT: FOREIGN EXCHANGE RATES

REF: SANTIAGO 4760

BEGIN UNCLASSIFIED

1. CENTRAL BANK ON NOVEMBER 2 RAISED BANKERS' RATE (MERCHANTISE
IMPORT AND EXPORT) FROM E280 TO E285 PER DOLLAR AND LOWERED
BROKERS' RATE (MOSTLY TOURISTS) FROM E850 TO E800. HOWEVER,
OUTGOING CHILEAN TOURISTS STILL MUST PAY E1305, INCLUDING TAXES,
FOR TICKETS AND FOREIGN EXCHANGE. NO CHANGE ANNOUNCED FOR
E110 RATE FOR LARGE MINE COPPER EXPORTS. REGULATIONS
REQUIRING NON-RESIDENTS OF CHILE TO EXCHANGE MINIMUM AMOUNTS OF
HARD CURRENCY FOR EACH DAY OF STAY IN CHILE HAVE BEEN ELIMINATED.
END UNCLASSIFIED

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 SANTIA 05413 052105Z

BEGIN LOU

2. COMMENT: TECHNOCRATS HAD PROPOSED TO GOC EXCHANGE POLICY
OF FREQUENT MINI-DEVALUATIONS TO REFLECT RISE IN COST OF LIVING.
DEVALUATION IN BANKERS' RATE IN THIS INSTANCE WAS MUCH BELOW PRICE
INCREASES SINCE OCTOBER 1 WHEN RATES LAST CHANGED. EMBASSY
SOURCE SAYS GOC RATIONALE IN THIS CASE WAS BOTH TO MEET CRITICISM
FROM SOME QUARTERS THAT LAST DEVALUATION WAS TOO LARGE AND TO TRY
CREATE PSYCHOLOGICAL CLIMATE THAT RATE OF INFLATION IS SLOWING
RAPIDLY. REVALUATION OF BROKERS' RATE ALSO SUPPOSED TO REENFORCE
LATTER POINT. END LOU.

THOMPSON

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CENTRAL BANK, FOREIGN EXCHANGE RATES, ESCUDO, DEVALUATIONS, TOURIST EXCHANGE RATES
Control Number: n/a
Copy: SINGLE
Draft Date: 05 NOV 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973SANTIA05413
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: SANTIAGO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731154/aaaabnq.tel
Line Count: 71
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: SANTIAGO 4760
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 17 JAN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <17-Jan-2002 by willialc>; APPROVED <12 FEB 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: FOREIGN EXCHANGE RATES
TAGS: EFIN, CI
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005